

CAPITAL IMPROVEMENTS FUND

This fund accounts for significant, long-term improvements to the County's infrastructure and also for capital asset improvements for the purpose of increasing economic and community development opportunities.

**Pender County Capital Development Budget Plan
Descriptions**

ECONOMIC DEVELOPMENT

Industrial Shell Building-CDBG: The County partnered with Pender Progress Corporation, Four County EMC, the Town of Burgaw and WID to develop industrial shell building product. The first building is constructed within the Pender Progress Industrial Park in Burgaw. The project budget is \$1.4 million, supported with a \$500,000 loan from Four County EMC, a \$650,000 loan from CDBG, and a \$300,000 loan from the County. The CDBG loan provides for a 5 year payback as reflected in the budget plan. For FY 2012/13 the payment was \$13,105.00, then in FY 13/14 goes to \$227,211.00 for the (3) annual payments.

Industrial Shell Building-Four County EMC: This is the loan payment for the Four County EMC loan. No payments are required for the first four years. The loan is interest free. Payments are due for 11 years. *This payment begins in FY 15/16 and is \$71,428.00 per year.

Industrial Development Reserve Fund: The purpose of this fund is to set aside monies to be used for economic development projects, and to match other funding sources to leverage county investment. No appropriations are proposed for the reserve fund for FY 13/14 due to budget restrictions (\$50,000 per year).

Property Acquisition: The purpose of this account is to set aside funds for property acquisition of select industrial properties to be used to market for industrial development. \$326,277 is due in five annual installments (from FY 11/12 thru FY 15/16) for the BASF property acquisition.

CAPITAL BUILDINGS

Courthouse Reserve Fund: This fund is for the purpose of setting aside monies for future large maintenance needs and renovations to the historic Courthouse in Burgaw. A major renovation project was completed in November, 2010, and funds will be necessary to undertake future improvements. Phase 2 and 3 is estimated at \$1,000,000, and is listed in the Capital Facilities CIP. If a huge maintenance need arises and funds are not sufficient, contingency can first be used and then fund balance can be appropriated as a last resort. No appropriations are proposed for the reserve fund for FY 13/14 due to budget restrictions.

Jail/Law Enforcement Center Design: This is the estimated cost of professional design work for the facility which was appropriated in the FY 12/13 Budget and has been carried over to FY 13/14 Budget pending property acquisition that is suitable for the project (\$892,551.00 is the amount remaining to be carried over after some initial due diligence expenses in FY 12/13).

DSS Design: Due to financial constraints regarding the county's debt capacity, it is recommended for FY 13/14 the DSS design funds of \$225,000 be moved to back to General Contingency Fund 999 and be considered for re-appropriation to the project in FY 15/16 budget after the Jail/Law Enforcement Center and Old Topsall School Renovation Projects are nearing completion.

Jail/LEC Debt Service: This includes annual debt service for the facility and site improvements required for the campus plan expansion, based on 5% interest and 20 years payment (conservative mortgage numbers). The debt service expenditure for this project has been moved out to FY14/15 (Option A \$1,852,800).

DSS Debt Service: This includes annual debt service for the facility only, based on 5% interest and 20 years payments. This debt service annual payment of \$308,934 has been moved out beyond FY 17/18 pending project approval (Option A with 0% Reimbursement \$833,275). Financials will need revision when specifics of the project are approved by BOCC.

Topsail Regional Library Debt Service: This includes annual debt service estimated at \$502,075 for the facility, based on 5% interest and 20 years payments. This includes funding (estimated at \$6,000,000) necessary to renovate the current Library for the Hampstead annex. Design work has been completed for the new library facility, but not the Annex. No appropriations are proposed for this project for FY 13/14 due to budget restrictions.

Old Topsail School Renovation Project: \$175,000.00 is being appropriated in FY 13/14 for annual debt service on initial project costs of \$2,420,987.42 amortized over 20 years @ 3.80% interest (fixed rate/no pre-payment penalty loan). *The Current Hampstead Annex Lease will expire in November of calendar year 2014.

PARKS AND COMMUNITY INVESTMENTS

Parks Reserve Fund: Over the past year the County has prepared and adopted a new Parks and Recreation Master Plan. Implementing the various projects set forth from the plan will require significant investments, not only from the County but from community sources, grant programs, state and federal funding, and so forth. The purpose of this fund is to set aside monies to be used to match other funding sources to leverage county investment. A one-time contribution of \$250,000 from fund balance was appropriated for FY 10/11 to establish monies in the fund, to be supported by \$50,000 annual contributions to sustain the fund. No appropriations are proposed for the reserve fund for FY 13/14 due to budget restrictions.

Drainage Reserve Fund: The purpose of this fund is to set aside monies to be used to match other funding sources to leverage county investment. A one-time contribution of \$150,000 from fund balance was appropriated for FY 10/11 to establish monies in the fund, to be supported by \$50,000 annual contributions to sustain the fund. No appropriations are proposed for the reserve fund for FY 13/14 due to budget restrictions.

**PENDER COUNTY CAPITAL DEVELOPMENT BUDGET PLAN
GENERAL FUND**

<u>Economic Development</u>	<u>FY 13/14</u>	<u>FY 14/15</u>	<u>FY 15/16</u>	<u>FY 16/17</u>	<u>FY 17/18</u>
Industrial Shell Building-CDBG Loan	\$ 227,211.00	\$ 227,211.00	\$ 227,211.00	\$ 227,211.00	\$ -
Industrial Shell Building-Four County EMC Loan	\$ -	\$ -	\$ 71,428.00	\$ 71,428.00	\$ 71,428.00
Industrial Development Reserve Fund	\$ -	\$ -	\$ -	\$ 50,000.00	\$ 50,000.00
Property Acquisition (BASF)	\$ 326,277.12	\$ 326,277.12	\$ 326,277.12	\$ -	\$ -
Subtotal Economic Development:	\$ 553,488.12	\$ 553,488.12	\$ 624,916.12	\$ 348,639.00	\$ 121,428.00
<u>Capital Buildings</u>	<u>FY 13/14</u>	<u>FY 14/15</u>	<u>FY 15/16</u>	<u>FY 16/17</u>	<u>FY 17/18</u>
Courthouse Reserve Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Jail/LEC Capital Project (Option A)	\$ 892,551.00	\$ 1,852,800.00	\$ 1,832,200.00	\$ 1,809,025.00	\$ 1,783,275.00
DSS Capital Project (Option A, 0% DSS Reimb.)	\$ -	\$ -	\$ -	\$ 225,000.00	\$ 225,000.00
Topsail Regional Library Debt Service (\$6,000,000)	\$ -	\$ -	\$ -	\$ -	\$ 502,075.00
Topsail Re. Library Complete Site Design	\$ -	\$ -	\$ -	\$ -	\$ -
Old Hampstead School Renovation	\$ 175,000.00	\$ 175,000.00	\$ 175,000.00	\$ 175,000.00	\$ 175,000.00
Subtotal Capital Buildings:	\$ 1,067,551.00	\$ 2,027,800.00	\$ 2,007,200.00	\$ 2,209,025.00	\$ 2,685,350.00
<u>Parks and Community Investments</u>	<u>FY 13/14</u>	<u>FY 14/15</u>	<u>FY 15/16</u>	<u>FY 16/17</u>	<u>FY 17/18</u>
Parks Reserve Fund	\$ -	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00
Drainage Reserve Fund	\$ -	\$ -	\$ -	\$ 50,000.00	\$ 50,000.00
Subtotal Parks and Community Investments:	\$ -	\$ 50,000.00	\$ 50,000.00	\$ 100,000.00	\$ 100,000.00
Total Capital Improvements:	\$ 1,621,039.12	\$ 2,631,288.12	\$ 2,682,116.12	\$ 2,657,664.00	\$ 2,906,778.00

Lender Name	CDBG Shell Building Loan Program
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Basic Loan Information

Amount	\$655,250.00
Beginning of Loan	7/1/2011

Annual Interest Rate	2.00%
Length of Loan, Years	5
Payments Per Year	1

Payment Information

Total Payments	5
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Calculated Payment	\$227,211.00
Entered Payment	

Summary Information

Total Paid	\$681,633.00
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Interest Paid	\$26,383.00
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Date
10/19/2009



Lender Name: NC Department of Commerce

Pmnt #	Start of Period	Annual Interest Rate	Scheduled Balance	Actual Balance	Scheduled Payment	Interest Portion	Principal Portion	Additional Principal
1	07/11	2.00%	655,250.00	655,250.00		(13,105.00)		
2	07/12	2.00%	655,250.00	655,250.00		(13,105.00)		
3	07/13	2.00%	655,250.00	655,250.00	(227,211.00)	(13,105.00)	(214,106.00)	
4	07/14	2.00%	441,144.00	441,144.00	(227,211.00)	(8,822.88)	(218,388.12)	
5	07/15	2.00%	222,755.88	222,755.88	(227,211.00)	(4,455.12)	(222,755.88)	